

**MINUTES OF THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL HELD ON TUESDAY, JULY 21, 2015 AT 7:00 P.M. IN THE CITY COUNCIL CHAMBERS, 181 NORTH 9TH STREET, SHOW LOW, NAVAJO COUNTY, ARIZONA**

1. Call to Order.

Mayor Seymore called the meeting to order at 7:00 p.m.

2. Roll Call.

**COUNCIL MEMBERS PRESENT:** Mayor Seymore, Vice Mayor Leech, Councilman Allsop, Councilman Crittenden, Councilman Hatch, Councilwoman Kakavas, and Councilman Kelley.

**COUNCIL MEMBERS ABSENT:** None.

**STAFF MEMBERS PRESENT:** Ed Muder, City Manager; Bill Kopp, Public Works Director; Shane Hemesath, City Engineer; Justin Johnson, Administrative Services Director; Joe Shelley, Police Chief; Jay Brimhall, Community Services Director; Rick Austin, Public Works Operations Manager; Lisa Robertson, Grants Manager; Jeff Collins, Library Services Manager; Cari Bilbie, Senior Account Clerk; Tamra Reidhead, Deputy City Clerk; and Ann Kurasaki, City Clerk.

**GUESTS:** William Thomas, Darren Cluff, Richard Bilbie, and others.

3. Invocation.

Councilman Hatch gave the invocation.

4. Pledge of Allegiance.

Vice Mayor Leech led the Council and audience in the pledge of allegiance.

5. **CALL TO THE PUBLIC:**

Any citizen desiring to speak on a matter that **IS NOT** scheduled on this agenda may do so at this time. Comments may be limited to three minutes per person and shall be addressed to the City Council as a whole, and not to any individual member. Issues raised shall be limited to those within the jurisdiction of the City Council. Pursuant to the Arizona Open Meeting Law, the City Council cannot discuss or act on items presented at this time. At the conclusion of the call to the public, individual City Council members may (1) respond to criticism made by those who have spoken, (2) ask staff to review a matter, and (3) ask that a matter be put on a future agenda.

Mayor Seymore read a message from Rick and Kim Fernau thanking the City Council, police department, public works department, and all those who helped make this year's "Bike the Bluff" a success.

6. **CONSENT CALENDAR:**

- A. Consideration of Acceptance of a Library Services and Technology Act (LSTA) Grant from Arizona State Library, Archives and Public Records and Authorization of Associated Budget Transfers. (Jeff Collins)
- B. Consideration of Acceptance of Construction for the Show Low Manhole Replacement Project, City of Show Low Project No. S-0215. (Shane Hemesath)
- C. Consideration of Acceptance of Construction of the City of Show Low Rehabilitation and Rejuvenation of Public Roadways – Slurry Seal, City of Show Low Project No. R-0615. (Shane Hemesath)
- D. Consideration of Acceptance of Cemetery Restroom Project, City of Show Low Project No. PR-0515. (Shane Hemesath)
- E. Consideration of Lease Agreement with Veterans of Foreign Wars for Property Located Along Central Avenue and Known as Navajo County Assessor's Parcel No. 210-18-017A. (Ed Muder)
- F. Consideration of Lease Agreement with Boutique Airlines at Show Low Regional Airport for Commercial Space. (Bill Kopp)
- G. Consideration of Award of Purchase of Asphalt Zipper. (Bill Kopp)
- H. Consideration of Award of Purchase of Excavator and Trailer. (Bill Kopp)
- I. Consideration of Minutes of Show Low City Council meetings:
  - (1) Regular Meeting of June 16, 2015.

Councilman Crittenden asked if Boutique Air would begin providing service in Show Low on August 1. Mayor Seymore said yes, the Great Lakes Airlines contract would terminate on July 31.

Councilman Allsop referred to item 6-C (acceptance of slurry seal project) and thanked the public works crews for the patch work they did on the roads prior to the slurry project.

**COUNCILMAN CRITTENDEN MOVED TO APPROVE THE CONSENT CALENDAR AS PRESENTED; SECONDED BY COUNCILMAN ALLSOP; PASSED UNANIMOUSLY.**

7. **NEW BUSINESS:**

- A. Consideration of Award of Professional Services Contract for Transit System Advertising and Marketing Sales and Services. (Lisa Robertson)

Ms. Robertson said the City of Show Low contracted with MV Transportation to operate the region's public transit system. Advertising space was available on a total of six buses, but over the last few years this source of revenue had never reached its potential due, in large part, to the amount of time required to sell advertising space and respond to advertising inquiries.

Ms. Robertson said in January 2015, the Transit Advisory Committee (TAC) discussed the under-utilization of advertising on buses and its impact to the partners' match. To address this concern, a Request for Proposals (RFP) was issued in March for advertising services for the White Mountain Connection and Four Seasons Connection. Three vendors submitted proposals, which were reviewed and ranked by City staff in accordance with evaluation criteria set forth in the RFP. Those submitting proposals were White Mountain Independent LLC, Nationwide Ad-Vantage LLC, and Juggernaut Billboards.

Ms. Robertson said White Mountain Publishing LLC was ranked no. 1 by all reviewers during the selection process. Proposals were also reviewed by TAC members on July 16, and the transit partners concurred with the selection of White Mountain Publishing. The commission earned from advertising and marketing sales would be a 50/50 split between White Mountain Publishing and the transit partners. All artwork development, installation, and removal costs would be borne by White Mountain Publishing. The agreement term was for three years with two one-year renewable options. Projected net revenue to the transit partners was \$28,704 for the first year, \$53,232 for the second, and \$64,908 for the third.

Councilman Crittenden felt transit advertising sales were greatly needed and would reduce expenses borne by the transit partners.

**VICE MAYOR LEECH MOVED TO AWARD A PROFESSIONAL SERVICES CONTRACT TO WHITE MOUNTAIN PUBLISHING LLC TO PERFORM ADVERTISING AND MARKETING SALES AND SERVICES**

**FOR THE TRANSIT SYSTEM; SECONDED BY COUNCILWOMAN KAKAVAS; PASSED UNANIMOUSLY.**

- B. Consideration of Award of Construction Contract for Fairway Park Waterline Improvements, City of Show Low Project No. W-1614. (Shane Hemesath)

Mr. Hemesath said the City's fiscal year 2015 Capital Improvements Program (CIP) budget included \$528,400 for a waterline improvement project labeled "Fairway Park – 43rd Way, Cul, Circle, Loop." This was the second phase of waterline improvements scheduled for this subdivision.

Mr. Hemesath said currently, four phases were in the five-year CIP. This project consisted of replacing approximately 4,550 linear feet of aging and deteriorating six-inch AC waterline with an eight-inch PVC water main and installing new water services. This work also included installing new fire hydrants and replacing any asphalt removed during construction. The proposed improvements were located along North 43rd Drive, North 44th Drive, North 45th Drive, 44th Loop, 44th Circle, 44th Cul-de-sac, and Mogollon Drive.

Mr. Hemesath said the project was designed by City engineering staff, and Arizona Department of Environmental Quality approvals to construct had been obtained. The engineer's construction cost estimate was \$557,000. The project was publicly bid in accordance with statutory requirements with the following bid results:

Apache Underground and Excavating	\$499,880.00
Rock Country Builders	\$544,849.00
Kinkaid Civil Construction	\$554,383.50
Sellers & Sons Inc.	\$658,672.50

Mr. Hemesath said staff recommended awarding the construction contract for Fairway Park waterline improvements, City of Show Low Project No. W-1614, to Apache Underground and Excavating in an amount not to exceed \$499,880.

**COUNCILMAN ALLSOP MOVED TO AWARD THE CONSTRUCTION CONTRACT FOR FAIRWAY PARK WATERLINE IMPROVEMENTS, CITY OF SHOW LOW PROJECT NO. W-1614, TO APACHE UNDERGROUND AND EXCAVATING IN AN AMOUNT NOT TO EXCEED \$499,880; SECONDED BY COUNCILWOMAN KAKAVAS; PASSED UNANIMOUSLY.**

- C. Consideration of Ordinance No. 2015-05 Repealing and Adopting Chapter 19, *Flood Damage Prevention*, of the Show Low City Code and Adopting Resolution No. R2015-19 Declaring as a Public Record That Document Entitled “*Chapter 19, Flood Damage Prevention, of the Show Low City Code.*” (Bill Kopp)

Mr. Kopp said the City originally adopted a Flood Damage Prevention Code on August 4, 1987. In 2005, Arizona Revised Statutes §§48-3601 to 48-3627 and Index 44 of the Code of Federal Regulations, Parts 59-77, mandated certain required provisions for all flood damage ordinances adopted by municipalities, with which the City’s original Code was not in compliance. On June 21, 2005, the Council adopted Ordinance No. 2005-18, which adopted Chapter 19, “*Flood Damage Prevention, of the Show Low City Code*” to bring the City into compliance with the statutes.

Mr. Kopp said the Arizona Department of Water Resources (ADWR) periodically reviewed these ordinances. During a recent meeting with an ADWR representative, staff was urged to update the City’s existing Flood Damage Prevention Code to reflect recent updates to ADWR’s model code. A newly updated code might contribute to a lower community rating for flood insurance which, in turn, improved flood insurance rates citywide. The City’s current rating was 8 on a scale of 1 to 10. Community ratings in excess of 9 might result in disqualification from the flood insurance program. The City’s rating of 8 resulted in flood insurance rate reductions of 10%.

Mr. Kopp said the Arizona Department of Water Resources had provided a model ordinance, which staff used to propose revisions to the City’s existing Code. The revisions were mostly updated definitions or minor clarifications and some duplications were deleted.

Mayor Seymore asked if there was anything that would change for existing homeowners or if any floodplains were changed. Mr. Kopp said no, no floodplains or homeowner requirements would change by adopting this ordinance.

Councilman Allsop and Councilman Kelley also expressed concern that the changes could affect floodplains or current homeowners. Mr. Kopp said the city attorney, city manager, and City staff reviewed the ordinance line by line and there was nothing substantial that would impact any property owners.

**COUNCILMAN CRITTENDEN MOVED TO ADOPT RESOLUTION NO. R2015-19 DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK AND ENTITLED**

**"CHAPTER 19, FLOOD DAMAGE PREVENTION, OF THE SHOW LOW CITY CODE"; SECONDED BY VICE MAYOR LEECH; PASSED UNANIMOUSLY.**

**BY UNANIMOUS CONSENT, MS. KURASAKI READ ORDINANCE NO. 2015-05 BY TITLE ONLY SINCE ALL COUNCIL MEMBERS HAD A COPY.**

*"AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF SHOW LOW, ARIZONA, REPEALING CHAPTER 19, FLOOD DAMAGE PREVENTION, OF THE SHOW LOW CITY CODE AND ADOPTING THAT DOCUMENT ENTITLED 'CHAPTER 19, FLOOD DAMAGE PREVENTION, OF THE SHOW LOW CITY CODE,' BY REFERENCE"*

**COUNCILMAN CRITTENDEN MOVED TO ADOPT ORDINANCE NO. 2015-05; SECONDED BY COUNCILMAN HATCH; PASSED UNANIMOUSLY.**

- D. Consideration of Resolution No. R2015-18 Establishing Street Light Improvement District Secondary Property Tax Levy for Fiscal Year 2016 at \$189,000. (Justin Johnson)

Mr. Johnson said on June 16, 2015, the Mayor and Council held a public hearing on the fiscal year 2016 final budget and the secondary tax levy contained in this action. Property taxes collected within the Street Light Improvement District were utilized to pay utility costs of the street and park lights within the district.

Mr. Johnson said based upon current assessed valuations, the proposed tax levy of \$189,000 would increase the tax rate from \$0.1291 to approximately \$0.1401 per \$100 of assessed valuation. At this rate a home with an assessed value of \$150,000 would pay \$17.86 annually.

Councilman Kelley said that assessed valuations could increase in Show Low if real estate prices increased. If assessed valuations increased by 10%, then the tax rate could be lowered by the same amount and the City would still collect the same amount of money to pay for the streetlights. Mr. Johnson agreed.

Councilman Kelley said the only reason for the slight increase in the tax rate was because assessed valuations had decreased and because the City was now paying for the cost to operate the lights at the City parks. Mr. Johnson said the eventual goal was for the streetlight improvement district to be self-sufficient so that it wasn't dependent on the general fund.

Mr. Muder said another reason that the tax rate could increase would be because of an increase in utility rates.

Councilman Crittenden clarified that the secondary property tax was used strictly to pay the utility costs for the streetlights and for the lights at City parks.

**MAYOR SEYMORE MOVED TO ADOPT RESOLUTION NO. R2015-18 ESTABLISHING THE STREET LIGHT IMPROVEMENT DISTRICT SECONDARY PROPERTY TAX LEVY FOR FISCAL YEAR 2016 AT \$189,000; SECONDED BY COUNCILMAN KELLEY; PASSED UNANIMOUSLY.**

8. **SUMMARY OF CURRENT EVENTS:**

A. Council Members

Councilman Allsop expressed concern about the recent internet and phone service outage caused by people shooting guns carelessly and destroying some fiber optic cable. He said citizens needed to be aware and use caution because the outage inconvenienced lots of people and many businesses lost money.

B. Mayor

Mayor Seymore thanked Show Low's citizens and the City's parks and facilities maintenance, public works, and police employees for their tremendous assistance during the Fourth of July events. He also thanked Timber Mesa Fire for the great fireworks display.

C. City Manager

Mr. Muder said large-scale roadway improvements were being done in Show Low Heights, the subdivision off Whipple Road across from Northland Pioneer College. The contractor was currently working on curbs and gutters. The public's patience was appreciated while this important project was being completed.

Mr. Muder said a BMX race would be held on Saturday at Nikolaus Homestead Park's BMX track. The City was also accepting applications for the annual Tri in the Pines triathlon to be held August 8.

Mr. Muder said the annual pancake fly-in breakfast sponsored by the Experimental Aircraft Association would be held Saturday, August 15, at the Show Low Regional Airport. A companion event was the first-ever

hangar dance and dinner that evening. It was a White Mountains salute to veterans, but anyone could attend for \$30 a person. Tickets were available at Walgreens and Show Low VFW.

Mr. Muder said in addition to the hangar dance, raffle tickets were available for six lucky winners to fly over the White Mountains on Sunday, August 16, aboard a World War II airplane, the C-47 *Skytrain*, known as the *Warbird*. Tickets were \$20 each and could be purchased at the Show Low Chamber of Commerce, American Legion, White Mountain Submarine Veterans, VFW, America's Pie Company, and Show Low Senior Patrol.

Mr. Muder said unwanted electronic equipment and devices could be dropped off at the annual region-wide e-waste recycling day on Saturday, August 29, at the Navajo County Penrod facility, 251 North Penrod in Show Low.

9. **SCHEDULING OF MEETINGS:**

Scheduling of meetings, which may be brought up at this time.

None.

10. **ADJOURNMENT.**

There being no further business to be brought before the Council, **MAYOR SEYMORE ADJOURNED THE REGULAR MEETING OF THE SHOW LOW CITY COUNCIL OF JULY 21, 2015 AT 7:31 P.M.**

ATTEST:

APPROVED:

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Ann Kurasaki, City Clerk

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Daryl Seymore, Mayor

**CERTIFICATION**

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the **REGULAR MEETING** of the City Council of Show Low held on July 21, 2015. I further certify that the meeting was duly called and held and that a quorum was present.



Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

(SEAL)

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Ann Kurasaki, City Clerk